Hearing: Paper No. 13
December 10, 1997 RFC

THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE TTAB SEPT 11, 98

U.S. DEPARTMENT OF COMMERCE PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

American Rental System, Inc. v. North American Warranty Service, Inc.

Opposition No. 103,022 to application Serial No. 74/75/002976 filed on October 10, 1995

Bruce Tassan of Jackson & Kelly for Americar Rental System, Inc.

Lillian Miller of Mayer, Brown & Platt for North American Warranty Services, Inc.

Before Cissel, Quinn and Hohein, Administrative Trademark Judges.

Opinion by Cissel, Administrative Trademark Judge:

Based on its assertion that it possessed a bona fide intention to use the mark "AMERICARE" in commerce in connection with the services of "providing extended automotive warranties," in Class 36, applicant filed the above-referenced application to register its mark on the Principal Register. Following publication in the Official

Gazette, a timely Notice of Opposition was filed on August 19, 1996 by Americar Rental System, Inc.

As grounds for opposition, opposer alleged that it is the owner of the mark "AMERICAR" for valet airport parking services and automobile cleaning services, automobile renting and leasing services and limousine services, and automobile dealership services; that opposer or its predecessors in interest have used the mark since 1963; that opposer owns Registration Numbers 800,009¹ and 1,050,537² for the mark "AMERICAR" in connection with the services listed above; and that applicant's mark, if used in connection with the services set forth in the application, would so resemble opposer's mark that confusion would be likely. Applicant denied the salient allegations pleaded by opposer.

A trial was conducted in accordance with the Trademark Rules of Practice. Opposer introduced the testimony, with exhibits, of Patrick Tucci, its president and treasurer. Included as an exhibit to his testimony was another registration owned by opposer, Reg. No. 2,017,332, which

¹ Issued on December 7, 1965; affidavit under Section 8 accepted; affidavit under Section 15 received. The services are listed therein as "leasing and renting of vehicles." Use since December of 1963 is claimed.

² Issued on March 5, 1996. The services are listed therein as "valet airport parking services and automobile cleaning services"; "automobile renting and leasing services and limousine services"; and "automobile dealership services." Use since September of 1992 is claimed.

issued on November 19, 1996 for the mark shown below.

The services listed therein are "automobile cleaning services"; "automobile renting, leasing, limousine, and airport valet parking services"; and "automobile dealership services." The words "RENTAL SYSTEM" are disclaimed apart from the mark as shown. Use since September of 1992 is claimed.

Applicant introduced the testimony, with exhibits, of Mark Cohen, its vice president and general counsel. Both parties filed briefs³ and argued before the Board at the December 10, 1997 oral hearing.

The only issue before the Board in this opposition is whether confusion is likely. Opposer's unchallenged registrations, which the record shows are subsisting and are owned by opposer, entitle opposer to priority, and in any event, the record establishes opposer's use of its marks before applicant filed its application to register.

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³ Opposer's reply brief has been considered, but the additional evidence attached to applicant's brief has not been considered because it was untimely submitted, long after applicant's testimony period had closed. Moreover, even if we had considered these search results, our decision in this proceeding would not have changed.

Based on careful consideration of the record and the arguments of the parties, we find that although opposer has prior use of its "AMERICAR" marks in connection with the services specified in its registrations, confusion is not likely. The marks of the parties create different commercial impressions in connection with the respective services of the parties, and those services are not related in such a way that applicant's use of "AMERICARE" in connection with its services would be likely to cause purchasers to assume mistakenly that applicant's services emanate from the same source as opposer's "AMERICAR" services.

Turning first to our analysis of the respective services of the parties, we note that this record does not show that a prospective purchaser of extended warranty services for automobiles has any reason to expect the same entity which provides such warranty services to also render car rental services, which is opposer's main business, or, for that matter, the other services opposer provides, such as valet parking, auto cleaning, limousine services, or automobile dealership services. The testimony does not reveal any single entity which renders both applicant's service and any of the services opposer offers under its marks. Applicant does not park, clean, sell, rent, or lease cars under the mark it seeks to register. Opposer does not

provide extended warranty services under its mark. There is no market interface between the parties.

Applicant is in the business of providing and administering extended service contracts and warranties for automobiles. Applicant's warranties are sold separately, in a discrete transaction, in addition to the sale of the vehicle. In exchange for separate consideration, a purchaser signs a separate contract with applicant, not the automobile dealer or manufacturer, and the buyer is thereby entitled to the repair or replacement of various components of the vehicle in the event that they break. Typically, the coverage under applicant's contracts is well beyond that which is ordinarily offered by sellers of vehicles, extending up to seven years or a hundred thousand miles.

As noted above, applicant is not in the business of renting, selling, cleaning or parking cars. The warranties applicant sells are closely regulated by various governmental agencies in the places where applicant does business. Applicant has to submit the warranties, as well as the liability policies that support them, to the insurance departments of each state where it provides its service.

Opposer, on the other hand, is primarily in the business of renting and leasing cars. It also provides services related to its main business, such as airport

parking, auto cleaning, and limousine services.

Additionally, opposer provides automobile dealership services, which we understand to involve the sales of vehicles which were once in its rental fleet, but are no longer rented or leased out. Opposer is not regulated by the governmental agencies which oversee applicant's business activities.

While it is true that when opposer sells a former rental car, opposer does use its mark in connection with a warranty, that warranty is not a separate service within the meaning of the Lanham Act, in the sense that applicant's providing for an additional fee an extended warranty of the type not ordinarily offered in the usual course of the automobile business is. In fact, even though opposer sometimes does sell a car and sell an extended warranty to the buyer at the same time, with coverage and cost both in excess of the basic guarantee opposer ordinarily provides when it sells an automobile, when opposer does this, it does not use its own service mark to identify the source of that warranty. Instead, the warranty is provided under the mark of the third-party underwriter of the warranty. All opposer does is sell it on behalf of that other company, Wynn's. Further, the purchaser of the extended warranty also buys a package of Wynn's products to use in extending the useful life of the car to which the warranty applies, so customers

have no basis for thinking that providing the warranty is a service of opposer. Theoretically, opposer could contract with applicant to offer applicant's extended warranties to purchasers of cars bought from opposer, but obviously, if opposer believed that the use of applicant's mark in connection with the extended warranties in this situation would cause confusion, opposer would not do so.

In summary, contrary to opposer's contention in its brief, (p. 3), the services of the parties are not "identical and rendered in the same channels of commerce and to the same class of purchasers." The respective services are different in nature, they are promoted and marketed in different ways, and, as noted above, this record does not show that there would be any reason for a prospective purchaser of either of them to assume that they are available from the same source, even if the marks used in connection with them were the same.

Counsel for opposer states in his brief that the marks "are obviously similar in appearance, pronunciation, and connotation and this point does not require discussion."

(brief, p.3). To the contrary, these marks create different commercial impressions because, while they do look appreciably alike and sound somewhat alike, their connotations, as applied to the different services of the parties, are substantially different. To the same

suggestive prefix, "AMER," opposer affixes the term "CAR," while applicant adds "CARE." This fact results in significantly different meanings. The obvious reference the prefix makes is to America, but when "CARE" follows it, and the services with which this combination is used are auto warranty services, the connotation or suggestion is that the automobile will be cared for throughout America.

"AMERICAR," in contrast, when considered in connection with the rental, sale, leasing, cleaning or parking of cars, suggests a car in America or an American car.

We thus conclude that opposer's "AMERICAR" mark, in connection with opposer's services, creates a different commercial impression from that created by applicant's mark in connection with applicant's service.

Opposer's mark which combines the stylized presentation of "AMERICAR" with the descriptive words "RENTAL SYSTEM" and a design element is even less similar to applicant's "AMERICARE" mark. The commercial impression created by the addition of "RENTAL SYSTEM" is far removed from the commercial impression that applicant's "AMERICARE" mark creates when it is used in connection with applicant's service of providing extended warranties to offset the cost of car care.

In summary, confusion is not likely in view of the differences in the marks and the differences in the services

of the parties. Accordingly, the opposition is dismissed.

- R. F. Cissel
- T. J. Quinn
- G. D. Hohein Administrative Trademark Judges Trademark Trial & Appeal Board